

# STATEWIDE FISCAL POLICY ADVISORY COMMITTEE MINUTES

Thursday, May 8, 2008

In attendance: Randy Smith, H&W  
Ed Bowden, Labor  
Don Berg, LSO  
Jim Carter, SCO

Ike Kimball, H&W  
David Fulkerson, DFM  
Merideth Hackney, SCO

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## **Agenda 1: Minutes**

Previous minutes accepted.

## **Agenda 2: Independent Contractor**

Ed Bowden presented his updates. The committee discussed removing reference to the Texas Workforce Commission tests, agreeing to keep links to the Employment Security Law in Idaho Code, IRS Publication 15-A, and the SSA Handbook. The Fiscal Impact section was kept for this policy. The Administrative Procedures was changed to a References section which includes links to other web sites with more employer/employee information. The policy will be updated on the SCO Web site.

## **Agenda 3: Employee Convenience Expenses**

Don Berg submitted a draft for a policy or guideline for employee convenience expenses. It notes that Idaho Code does not specifically prohibit state agencies from purchasing items of employee convenience. The committee discussed the examples of items of employee convenience and some implications that managers might face when deciding which expenses are allowable (employee morale, public perception, etc.). The draft will be implemented as a Guideline rather than policy and reworded to reflect that.

## **Agenda 4: Capital Assets – Intangible assets**

The Controller's Office Reporting and Review bureau submitted updates to the Capital Assets policy that include GASB recommendations for intangible assets. Software as an intangible asset was discussed. The committee discussed the definitions of "internally developed software" and "application development stage" vs. "post implementation/operation stage". Ike and Ed suggested taking the policy back to their agency for review – the committee agreed.

## **Agenda 5: LSO Issues**

Single Audit Reports: Currently, local suit review and single audit reports cost LSO a lot of time and money. To simplify the process, a single audit report will be done only in instances when Federal money is passed from a State agency to a local government entity.

Vendor vs. Sub-recipient: Don Berg has developed some criteria to distinguish between a vendor and a sub-recipient, but said it should be the responsibility of the agency to make the determination.

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**Next meeting:** June 12, 2008, 1:30 PM in the State Controller's Office, 4<sup>th</sup> Floor conference room A.

**Agenda:**

1. Capital asset / Intangible assets
2. Vendor vs. Sub-recipient